



JANUARY 26, 2010, 3:38 PM ET

Rep. Dingell: If Banks Are Too Big, Break Them Up

By Damian Paletta

In the latest broadside from Democrats against big banks, U.S. Rep. **John Dingell** (D., Mich.) introduced a bill Tuesday that would direct the government to simply break up banks deemed too large to fail. Banks ordered to restructure would also face higher capital requirements.

[The bill](#), called the “Financial Services Industry Stability Act of 2010,” goes much further than legislation that passed the **House of Representatives** in December, which would give the government more power and discretion to determine if a company is too big to fail (that bill wouldn’t necessarily require these firms be broken up). It’s unclear whether Rep. Dingell’s bill will attract much support, though there is at least one ominous sign for banks: his proposal was modeled after a section of the **Endangered Species Act**.

“Amazingly, more than a year after these superbanks nearly bankrupt our country, they continue to be very big, very powerful, very arrogant and very greedy,” Mr. Dingell said. “Nothing has changed from this time 15 months ago, including the banks’ desire to make big bets that produce even bigger bonuses for executives. We need to send a clear message to our banks and the executives who run them this behavior has to change.”

Copyright 2008 Dow Jones & Company, Inc. All Rights Reserved

This copy is for your personal, non-commercial use only. Distribution and use of this material are governed by our [Subscriber Agreement](#) and by copyright law. For non-personal use or to order multiple copies, please contact Dow Jones Reprints at 1-800-843-0008 or visit www.djreprints.com